

Colchester Community and Economic Development Advisory Council (CEDAC) Minutes February 18, 2010

Members Attending: David Usher, Chair, Mike Mazza, James Ehlers, Joe Egan, Paul Olsen,
Absent: Bill Peters, Nanci Glindmyer, Vice-Chair, Deborah Winters, J. Churchill Hindes.
Others: Kimberly Murray, Al Voegele, Town Manager.

The minutes from December 17th and January 21st were approved. Motion made by Paul, seconded by Mike.

Al Voegele came to meet with the CEDAC to bring the Select Board perspective on a variety of recent issues. The local option tax met citizen opposition and it is clear the Town needs firm conceptual plans for the implementation of the tax revenue before returning to the voters and it needs to be used more as a savings fund for projects.

Tom Mulcahy, Chair of the Planning Commission is prepared to implement the recommendation of the Evergreen Study to lead the Town in the creation of a vision and long range objectives for the Town. He has researched an approach to use and he plans to meet with the Select Board to discuss it and would like to meet with CEDAC next month as well. It may take up to three years to complete the whole process. Dave has discussed it with Tom and he encourages a meeting with the Committee of Committees to explain it to all Town Boards at one time.

Tax Increment Financing District (TIF)

Al explained he understands the CEDAC felt left out of this process which has been discussed with staff for two years. He explained briefly the history of Severance Corners and how it came about. He explained about the water storage capacity issue for Fire District 3 and we need redundancy and additional capacity as well as the transportation infrastructure would be included in the TIF. The total cost might be around \$5 million dollars. The developers would benefit as the tax revenue generated by their development would pay for the infrastructure costs that they would otherwise have to pay to develop the property. The Select Board feels the TIF successfully implemented is the only option to pay for the improvements without burdening the taxpayer. The developers do not like the idea of a special assessment district. The process was never meant to exclude the CEDAC. The Board is also divided on allowing the developers to be capitalists or be a community partner for Severance Corners to be successful.

Dave asked how secure is the program and will Colchester make it into the queue as there are only five TIF's available statewide. This should not be a problem if we submit our application soon. Kimberly explained the option of including the developer's infrastructure in the TIF and then having the developers contribute to something outside the TIF to better make use of the revenues.

James is concerned with the developer's claim that the project is not financially viable without the Town paying the infrastructure costs through the TIF and concerned with the taxpayers ultimately being on the hook. The developers need to share this risk. The Select Board agrees the developers need to take the risk. Mike also asked that how did the development occur knowing that these improvements had to be made and now there is not agreement as to who is responsible for it? Dave suggested that the Town have a statement of principles of how this process will proceed. Al thought Bryan had drafted that a long time ago. CEDAC would like to see it. Dave noted a timeline for the TIF process would also be helpful. Kimberly commented

she has drafted one and will detail it further with the activities and information needed to complete the application.

Local Option Tax

Al feels the Town can't tie tax revenues down for 20 years for the purchase of Camp Holy Cross, it does not allow any flexibility and the revenue base is not wide enough to be a reliable revenue stream over time to pay back a large bond. There are implications to the Colchester residents paying tax on retail sales but also delivery of goods to Colchester, tax on home heating fuel, cell phone bills, and cable bills. Dave noted he had a developer friend review the property and estimated the value to a developer at \$3-6 million. Of course the Church may ask one price but the market may not value it as high.

Other Business:

James mentioned that the Subcommittee on Water Resources Group met and they would like to ask Al if someone from the Town maybe in Recreation might be available to spend a few hours a month making phonecalls to various groups to work on promotional opportunities for Malletts Bay. Al said he would talk to Glen Cuttitta, Parks and Recreation Director about it.

Kimberly will send the CEDAC the copy of the memo regarding asking for the Select Board and Planning Commission input on the CEDAC draft vision and goals for the Five Year Strategic ED Plan.

Paul mentioned he would be out at the next meeting. Kimberly needs to speak with Bill Peters again about his absences and see if he will be able to continue to participate or resign from the Council.

The next meeting will be April 15, 2010.

Respectfully submitted by,
Kimberly L. Murray, AICP